

VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM

Meeting of the Board of Trustees

August 15, 2006

Board members present:

STEVEN JEFFREY, Chairperson, Employee Representative (term expiring July 1, 2007)
DAVID LEWIS, Vice-Chairperson, Employer Representative (term expiring July 1, 2009)
MARIE DUQUETTE, Governor's delegate
JEB SPAULDING, Vermont State Treasurer

Board members absent:

W. JOHN MITCHELL, II, Employee Representative (term expiring July 1, 2008)

Also attending:

Donna Holden, Board Coordinator
Cynthia Webster, Director of Retirement Services
Elizabeth Pearce, Deputy Treasurer

The Chairperson, Steve Jeffrey, called the Tuesday, August 15, 2006, meeting to order at 2:50 p.m., which was held in the 4th Floor Conference Room at 109 State Street, Montpelier, VT.

ITEM 1: Approval of Minutes

- **June 27, 2006 – Business Meeting**

Action on this item was postponed.

ITEM 2: Health Care Savings Account Discussion

The Board reviewed the draft RFP scope of services, which included the ICMA skeleton RFP solicited, and comments from Buck Consultants. The Board discussed many topics such as whether to seek responses for bundled and/or unbundled services, initial funding method, etc.

The Board agreed that Mrs. Webster would work with Buck Consultants to initiate a preliminary non-discrimination test, and Mr. Rice would also initiate preliminary research on the funding issue. She will report back to the Board within two-weeks.

The Board discussed whether employee pre-tax contributions were permissible and also agreed to include final RFP language that included "...if permissible, employee pre-tax contributions..."

Ms. Duquette left the meeting.

ITEM 3: Any other business to come before the Board

None

Adjournment:

On a motion by Mr. Lewis seconded by Mr. Spaulding, the Board unanimously voted to adjourn at 3:30 p.m.

Next Meeting Dates:

The next VMERS Business meeting is scheduled for October 30, 2006.

Respectfully submitted,

Donna Holden, Board Coordinator For Cynthia Webster, Secretary to the Board